



Health Services

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May 21, 2013

TO: Supervisor Mark Ridley-Thomas, Chairman
Supervisor Gloria Molina
Supervisor Don Knabe
Supervisor Zev Yaroslavsky
Supervisor Michael D. Antonovich

FROM: Mitchell H. Katz, M.D.
Director

SUBJECT: **NOTICE OF INTENT TO REQUEST DELEGATED
AUTHORITY TO APPROVE A PERCENTAGE
INCREASE EXCEEDING 10 PERCENT OF THE
TOTAL AGREEMENT AMOUNTS OF FIVE EQUIPMENT
MAINTENANCE AND REPAIR SERVICE AGREEMENTS
AND ONE SECURITY MONITORING AGREEMENT**

This is to advise the Board that the Department of Health Services (DHS) is scheduling a Board letter for the June 4, 2013 agenda that requests approval of amendments to extend five existing Agreements for equipment maintenance and repair services and one existing security monitoring Agreement as well as delegate authority for future annual maximum obligation increases of 40 percent for the six Agreements.

In accordance with Board of Supervisors' Policy 5.120, prior Board notice is required for any department requesting delegated authority to increase Board-approved contracts by over 10 percent.

AGREEMENTS

Acceletronics West Inc. provides maintenance and repair services of the linear accelerator at Harbor-UCLA Medical Center (H-UCLA MC). This equipment is highly specialized and is utilized for radiation treatment for patients with cancer or radiosurgery within the brain. Proper maintenance and repair services for this equipment safeguards the safety of radiation treatment for patients.

California Boiler Inc. provides maintenance and repair services of the boiler systems at Rancho Los Amigos National Rehabilitation Center (RLANRC), H-UCLA MC, Long Beach Comprehensive Health Center, Bellflower Health Center, and Wilmington Health Center. The main function of a boiler is to heat water to generate steam that are used for a variety of purposes including space heating, humidification and power generation.

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*To ensure access to high-quality,
patient-centered, cost-effective
health care to Los Angeles County
residents through direct services at
DHS facilities and through
collaboration with community and
university partners.*

Johnson Control Inc. provides maintenance and repair services of chiller equipment at LAC+USC Medical Center (LAC+USC MC), H-UCLA MC, and RLANRC, as well as maintenance and repair services of security systems, nurse call systems, and Metasys Control System at LAC+USC MC. Regular preventive maintenance of all these systems is required to ensure appropriate operation of critical systems, otherwise patient safety may be jeopardized.

FujiFilm provides maintenance and repair services for computed radiography digital imaging systems at various DHS facilities. The systems use web-based digital technology to receive, organize, and store diagnostic images in a database and display the images for physicians and clinicians to view. The systems allow multiple viewers throughout the DHS network to access patient data that facilitates efficient and appropriate patient care.

nSpire Health Inc. provides maintenance and repair services for the pulmonary systems at LAC+USC MC. nSpire is the only service provider for these systems. nSpire equipment performs cardiopulmonary function testing on patients.

Allen Alarm Systems Inc. provides installation, inspection and repair services of security alarm systems, as well as supervised monitoring 24 hours a day, seven days a week, of the panic and intrusion alarms and reports any intrusion and panic alarm signals, and fire alarm signals at RLANRC and five Department of Public Health (DPH) health centers.

JUSTIFICATION

Approval of the recommendation will allow the Director, or his designee, to increase the maximum obligation of each of the six Agreements up to 40 percent of the annual contract maximums, if necessary, to add equipment coming off warranty, and/or emergency where applicable and/or out of scope repairs, and/or additional locations. The facilities will only request that equipment or locations be added if additional services are needed and funding is available in the facility's budget.

The Joint Commission on the Accreditation of Healthcare Organizations (The Joint Commission) requires facilities to ensure routine preventative maintenance, timely repairs, and performance/safety testing of its medical equipment and to maintain patient safety. Therefore, this delegated authority is necessary to enable the Agreements to be amended timely to guarantee that the critical equipment is maintained appropriately and ensure the safety of patients and facility staff, as well as to meet the requirements of The Joint Commission. Board policy generally allows delegated authority to increase the maximum obligation up to 10 percent. However, based on experience in recent years with several other equipment maintenance service agreements, DHS believes that requesting 40 percent for potential increases is appropriate since adding even a few pieces of equipment or an additional facility may require a significant funding increase.

If DHS is not able to add equipment to existing Agreements, the alternative is to request a Purchase Order (PO) from the Internal Services Department. The lead time to obtain a PO is much longer than execution of an amendment to an existing DHS Agreement using the Board's delegated authority.

NOTIFICATION TIMELINE

Consistent with the procedures of Board Policy 5.120, we are informing the Board of our intention to proceed with the filing of the Board letter with Executive Office of the Board for the June 4, 2013 Board Meeting.

If you have any questions or need additional information, please let me know, or your staff may contact Kathy Hanks, at (213) 240-7819 or khanks@dhs.lacounty.gov.

MHK:kh

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors